



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James Gardner
Vice-Chairman

John W. Clay
Commissioner

July 31, 2008

Honorable W. Randall Jones
Rubin & Hays
Kentucky Home Trust Building
450 South Third Street
Louisville, KY 40202

Dr. George Brown, DVM, Chairman
Todd County Water District
P.O. Box 520
617 West Main Street
Elkton, KY 42220

RE: Case No. 2008-00304
Todd County Water District
(Construct, Finance, Rates; 278.023)

The Commission staff has reviewed Todd County Water District's application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

A handwritten signature in cursive script that reads "David R. McDowell".

David R. McDowell
Division of Filings

DM/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
JUL 21 2008
PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF TODD COUNTY)
WATER DISTRICT FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND)
NECESSITY TO CONSTRUCT, FINANCE)
AND INCREASE RATES PURSUANT TO)
KRS 278.023.)



Case No. 2008 - 00504

APPLICATION

This Application of the Todd County Water District ("Applicant") respectfully shows:

1. That Applicant is a water district created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes.

2. That the post office address of Applicant is:

Todd County Water District
c/o Dr. George D. Brown, Chairman
P.O. Box 520
Elkton, Kentucky 42220

3. That Applicant, pursuant to the provisions of KRS 278.023, seeks (i) a Certificate of Public Convenience and Necessity, permitting Applicant to construct a waterworks construction project, consisting of extensions, additions, and improvements (the "Project") to the existing waterworks system of Applicant; (ii) an Order approving increased rates; and (iii) approval of the proposed plan of financing said Project.

4. The project consists of the construction and installation of (i) approximately 28 miles of water line on 25 rural roadways; (ii) a 250,000 gallon elevated water storage tank; and (iii) radio read meters to replace the entire inventory of existing meters.

5. That Applicant proposes to finance the construction of the Project through (i) the issuance of \$1,800,000 of its Waterworks Revenue Bonds, (ii) a USDA, Rural Development ("RD") grant in the amount of \$600,000, and (iii) a Kentucky Infrastructure Authority ("KIA") grant in the amount of \$400,000. Applicant has a commitment from RD to purchase said \$1,800,000 of bonds maturing over a 40-year period, at an interest rate of not exceeding 4.125% per annum, as set out in the RD Letter of Conditions filed herewith as an Exhibit.